Ann: F. IX-4

Previous References (KB)

1926.

File No. 26-26

Serial Nos. 158

Later References

General and Revenue Secretariat.

Serial Nos. One

Part B for April 1927.

SUBJECT

Relief to be given to Inamdars in connection with the abolition of Mokhatarba consequent on the introduction of the V. P. Regn in the State.

To the Dc's Districts
" Pdt, Kolar Camp Dd,
Rds J.B angalore, Kolar Mysore Mio Dc's
Rev. Comm Districts
" Comptr

Press Brief
No. 88 ಮಾ 2108

425 ಕಾಗದಗಳು 75 ಬಾಕಿ

Government of His Highness the Maharaja
of Mysore.

GENERAL AND REVENUE SECRETARIAT

SPECIAL PRESS SUPERINTENDENT
No. 6726
BANGALORE
GOVERNMENT PRESS

Mahatmaji

Relief to be given to the Inamdars in connection with the abolition of

passes order in re:— Consequent on the introduction of the Village Panchayet Regulation in the State.

28/9/4

GOVERNMENT ORDER NO. L7237-7298/LR26-26-158 DATED 9th April 27

proof to be submitted for approval.

Instructions to General Miscellaneous Branch –

1. Is the order to be printed? — yes
2. Is it to be published in Gazette, English? } yes
3. Is it to be published in Gazette, Kannada? }
4. Number of spare copies required. — 500

WD 8044/4 Gazette 500 ಪ್ರತಿಗಳು 9/4

Signed 425 Unsigned 75 500

B374.

BB 9/4/24

1/b

Proceedings of the Government of His Highness
the Maharaja of Mysore.

R e a d :-

Representation of the Inamdars' Association - received with letter No.27 dated 14th June 1926 from the President of the Association.

2. Government order No.L.2500-14/L.B.26-26-40 dated 5th October 1926 issuing instructions for bringing the Village Panchayet Regulation into force in the State.

3. Memorandum of points discussed at the deputation of Inamdars that waited on Government on the 1st February - 1927.

Order No.L

Dated, Bangalore, the April 1927.

The Village Panchayet Scheme which was placed before the Representative Assembly in October 1924 contemplated the abolition of the mohatarfa taxes in the State as soon as the Village Panchayet Regulation came into force; and the Panchayets constituted thereunder were to be empowered to levy taxes on houses, vacant sites, etc. The Village Panchayet Regulation (Regulation No.II of 1926) has come into force with effect from the 1st February 1927 as per Government Notification No.P.2490/L.B.26-26-39 dated 5th October 1926. As it was considered difficult for Village Panchayets to undertake immediately the assessment and collection of all the taxes that they are required to collect under Section 36 of the Regulation, Government in the order read above, directed that mohatarfa might continue to be collected by Jamabandi officers, but that the amounts so collected should be credited to the respective Panchayets. It is, of course, technically open for the Panchayets to levy taxes under Section 36 again on persons that are -

are assessed to the mohatarfa as above, but Government desire that Deputy Commissioners should advise Village Panchayets to exempt such persons from the payment of taxes under the Regulation for the current official year.

2. In the order referred to above, Government expressed the hope that as the responsibility for village sanitation in Inam villages would devolve solely on the Panchayets, the Inamdars would voluntarily give up the collection of mohatarfa in the interests of the villages, and Deputy Commissioners were asked to consult them in the matter. Government are glad to find that a large number of inamdars have agreed voluntarily to give up the collection of mohatarfa in their Inam villages. Government desire that their appreciation of the public spirit shown by these gentlemen and by others who may hereafter voluntarily give up the collection of mohatarfa be conveyed to them by the Deputy Commissioners. A list of the villages the Inamdars of which have already done so is appended to this order; and Deputy Commissioners are requested to submit further lists as received, for being published in the Mysore Gazette.

3. A large number of Inamdars, however, are unable or unwilling to adopt this course and in this connection Government have to point out that it is a long established principle that Government have the fullest power to abolish any item of taxation through out the State, that such abolition operates in Jaghirs and other Inam villages as well as in Government villages, and that the State is under no legal liability to compensate any Inamdar for the loss of revenue which he may sustain by the abolition of any tax.

4. The question whether Inamdars who do not voluntarily agree to give up collection of mohatarfa may or may not be allowed to continue such collection or whether they may

nay as a matter of grace be paid from out of the income of the Panchayets any amount in view of the income that they would lose by the abolition of mohatarfa, and if so to what extent and period, will, however, be placed before the Representative Assembly at the Session of June 1927.

N. Madhava Rao
Chief Secretary to Government.

To

The Comptroller, Mysore Government.
The Deputy Commissioners of Districts.
The Heads of Departments.

press copy

for chief Secretary to Government

BB

HK.3.

List of Inam villages, the Inamdars of which have agreed to give up collection of Mohatarfa.

District.	Taluk.	Name of Village.
Mysore.	Mysore	1.Arsinkere. 2.Udboor 3.Duddagere.
	Heggadadevanakote	4.Chakkur 5.Maliyur 6.Sankahalli 7.Bidarahalli. 8.Uyamballi.
	Chamarajanagar	9.Bagali 10.Jannur 11.Demahalli 12.Linganapura 13.Kannagala
	Nanjangud	14.Hosakote
	Nagamangala	15.Jodi Karadahalli 16.Jodi Alpahalli 17.Jodi Kanagonahalli 18.Bommanahalli. 19.Nalkundi. 20.Mutsandra 21.Ganganahalli 22.Honnenahalli 23.Hosur.
	Krishnarajapet	24.Varahanath Kallahall 25.Bukahalli 26.Kattehalli. 27.Yagachaguppe 28.Gangigere 29.Ambigrahalli. 30.Pura 31.Sankahalli 32.Sarangi.
	Mandya	33.Gowdagere 34.Kodahalli 35.Abdulvadi 36.Hallikere 37.Byadarahalli 38.Hanakere 39.Uppinakere
	T.Narasipur.	40.Kargalli 41.Chimli
	Hunsur	42.Vaderahosahal 43.Hitthahebbagalu 44.Sanysapura 45.Alanahalli
	Yedatore.	46.Arakere 47.Kalenahalli 48.Gudaganahalli.
Bangalore	Bangalore	1.Bylakere 2.Kodahalli 3.Kammagondahalli

5

District.	Taluk.	Name of village.
Bangalore	Devanhalli	4. Jodi Panditapura
		5. Kayamgutta Chinna Kempanahalli
		6. Jodi Kamenahalli
		7. Jodi Byappanahalli
		8. Jodi Arebesahalli
	Hoskote	9. Jodi Hunasehalli
		10. Chicka Aralagere
		11. Kaggalihosahalli
		12. Vabasandra
		13. Banehalli
		14. Siddapura
		15. Kurubarhalli.
	Dodballapur	16. Bhadrapura
	Channapatna	17. Abbur
		18. Sogala
		19. Garkahalli
Kadur	Mudigere	1. Kannapura
		2. Gonibede Agrahar
	Chickmagalur	3. Karehalli
		4. Chikkalasapur
		5. Dattatreyapeetah
		6. Suragappal.
	Tarikere	7. Kodihalli
		8. Bokikere
		9. Bankankatte
		10. Govindapura.

Copy.

BR

N. Venkatesalyangar
for chief Secretary to Government

6

DRAFT FINAL NOTE.

These papers relate to ~~the principles~~ certain orders that are proposed to be ~~observed~~ observed ~~in certain matters~~ in bringing the Village Panchayet Regulation into force in the ~~State.~~ districts

2. A draft order has been prepared ~~under my instructions~~ after a careful consideration of the decisions arrived at in the meeting of the Deputy Commissioners in June last and a memorandum received from the Mysore Inamdars' Association. A is submitted herewith

3. The main points calling for special attention are two, namely, (1) the areas in which the Regulation is to come into force and (2) the date on which it is to come into force.

4. The matter was considered informally in Council on the 30th ultimo when it was decided that

(1) the Village Panchayet scheme be brought into force in all alienated and unalienated villages in the whole of the State including those in the Jaghirs of Yelandur and Sringeri, and

(2) the Regulation be brought into force in all the Districts from the 1st of February 1927 on which date the District Boards Regulation will also come into force in all the Districts.

5. I solicit the gracious approval of His Highness to the decision of the Council.

Lee 5/9/26

7/9

7.9

R 7/9/26

by the Deputy Commissioner on the recommendation of the Inamdar.

9. Mohatarfa. The Panchayets under the Regulation will come into existence from the 1st of February 1927 and it will not be possible for these Panchayets to levy taxes under Section 36 of the Regulation immediately thereafter. Mohatarfa may, therefore, continue to be levied in Govt. villages and in Inam villages in which the right to levy mohatarfa has been reserved to Government at the time of the Inam settlement, till the Panchayets concerned actually levy the taxes ~~under Section 36 of the Village Panchayet Regulation~~. In all villages which already have Panchayets, the collection of mohatarfa has already ceased and will not be revived.

The existing arrangement under which mohatarfa is credited to the District Boards will cease from the 1st of February 1927 on which date the District Boards' Regulation comes into force. The mohatarfa collected by the Revenue Department from and after the 1st of February 1927 in each village in the area under the jurisdiction of the District Boards will be assigned to the Panchayets having jurisdiction over the villages concerned and will be credited direct to the respective Panchayets.

11.

P.T.O.

11. By ~~the introduction of~~ the introduction of Village Panchayet Regulation into Inam villages ~~where~~ where the ~~the~~ Inamdars have the right to collect mohatarfa, Govt. ~~consider that the levy of mohatarfa by the Inamdar would hamper the Village Panchayets in such villages from fully exercising their powers of taxation.~~ Government ~~therefore consider~~ hope that ~~the~~ Inamdars concerned ~~should~~ will also give up their rights to the levy of mohatarfa. ~~Govt. expect that many Inamdars will,~~ and they in the interests of ~~their~~ their villages, ~~give up their rights to mohatarfa.~~ In the cases, however, where the Inamdars are not agreeable to give up the right without being compensated, Govt. are prepared to pay suitable compensation to the Inamdars. The Deputy Commissioners are, therefore, requested to consult the Inamdars concerned and submit proposals to Govt.

18/7/19 L & L Secy. to Govt.

To

The Deputy Commissioners of Districts.

The President, K.G.F. Sanitary Board.

The Presidents of the Bangalore, Kolar and Hassan, through the D.C's of Dts.

The Revenue Commr. in Mysore.

The Comptroller to Govt.

Press Table.

Mysore Gazette.

APP. F. VI. Gl.]

SUBJECT.....

.....

.....

Section LB

File No. 26-26

Serial No

No.

Diary No. of letter replied to 2375

General and Revenue Secretariat

( )

the *192*

To

The Dy Commr

Mayuram

Sir,

Date of issue.....

Signed by.....

With reference to the correspondence ending with your letter no D2, 956/26 dated 2.12.26 forwarding with reference to the observation of Govt in Lr of Go no L 2500-14 LB 266-40 dated 5.10.26, re draining the claim for Mohatar by Inamdars, I am directed to state that no individual lists of Inam villages need be sent to this

(F)

List of enclosures.....

Copied by.....

Examined by.....

P.T.O.

WD 01265—GPB—1,000—24-12-25

This Office must Keep a
Consolidated list may be
sent to Grant along with
such suitable proposals as
you consider ~~useful~~ necessary
I have the

Secy to Genl
L & L Depts

Jno
4/12/78 8/C

WD 01229—GPB —37,500—1-9-26

General and Revenue Secretariat | File No. | of 192

Serial No.

my opinion is placed below.

I regret for the delay. As the question is a very important one requiring time for consideration & some of the old records are not easily traceable, the delay is thereby caused.

1st member. 8/1 18/1

7610/19/1

MAIN'S OFFICE.
25. JAN. 1927
No. 5454

Vide note below Mr. Kalappa's opinion. General had the Chits sent for Explorations. ~~[illegible]~~

Please obtain Dewan's orders on his return immediately whether Mr K.S. Iyer should or be ensured.

DE 20/1/27

Dewan. I enclose the copy of the K. Seshadri Iyer's memo.

To be printed & published in Gazette

Proceedings of the Govt. of His Highness the Maharaja of Mysore.

Read:-

Representation of the Inamdars' Association received with letter No.27 dated 14th June 1926 from the President of the Association.

2. G.O.No.L.2500-14/L.B.26-26-40 dated 5th Oct. 1926 issuing instructions for bringing the Village Panchayets Regulation into force in the State.

3. Memorandum of points discussed at the deputation of Inamdars that waited on Government on the 1st February 1927.

Order No.

Dated,

The Village Panchayet Scheme which was placed before the Representative Assembly in Oct. 1924 contemplated the abolition of the mohatarfa taxes in the State as soon as the Village Panchayet Regulation came into force; and the Panchayets constituted thereunder were to be empowered to levy taxes on houses, vacant sites, etc. The Village Panchayet Regulation (Regulation No.II of 1926) has come into force with effect from the 1st February 1927 as per Govt. Notification No.L. 2490/L.B.6-26-39 dated 5th October 1926. As it was considered difficult for Village Panchayets to undertake immediately the assessment and collection of all the taxes that they are required to collect under Section 36 of the Regulation, Govt. in the Order read above directed that mohatarfa might continue to be collected by Jamabandi officers, but that the amounts so collected should be credited to th

respective Panchayets. It is, of course, technically open for the Panchayets to levy taxes under Section 36 again on persons that are assessed to the mohatarfa as above, but Govt. desire that Deputy Commissioners should advise Village Panchayets to exempt such persons from the payment of taxes under the Regulation for the current official year.

2. In the Order referred to above, Govt. expressed the hope that as the responsibility for village sanitation will devolve solely on the Panchayets, the Inamdars concerned will voluntarily give up their right to the levy of mohatarfa in the interests of the villages, and Deputy Commissioners were asked to consult the Inamdars in the matter. Govt. are glad to find that a large number of Inamdars have agreed voluntarily to give up the imposition of mohatarfa in their Inam villages. Govt. desire that their appreciation of the public spirit shown by these gentlemen and by others who may hereafter give up mohatarfa voluntarily be conveyed to them by the Deputy Commissioners. A list of the Inamdars who have already relinquished their rights is appended to this order; and Deputy Commissioners are requested to submit further lists as received, for being published in the Mysore Gazette.

3. A large number of Inamdars, however, are unable or unwilling to adopt this course. Govt. consider that it will be a hardship if they are deprived of their right immediately by abolishing mohatarfa during the current official year, and have no objection to their collecting the tax in their inam villages during the current official year.

9. Government are accordingly pleased to direct that mohatarfa as a tax be abolished with effect from the 1st July 1927. A notification to this effect will be published in the Mysore Gazette. It is a long established principle that Govt. have the fullest power to abolish any item of taxation throughout the State, that such abolition operates in Jaghirs and other inam villages as well as in Govt. villages, and that the State is under no legal liability to compensate any Inamdar for the loss of revenue which he may sustain by the abolition of any tax. The question whether Inamdars who do not voluntarily agree to give up Collection of mohatarfa to what extent and form of, however compensated and if so will be placed before the Representative Assembly at the June Session of 1927.

Chief Secretary to Government

To

The Comptroller, Mysore Government.

The Deputy Commissioners of Districts,

The Compiler, Mysore Gazette for publication.

See revised draft

The Village Panchayet scheme placed before the Representative Assembly in October 1924 contemplated the abolition of the mohatarfa taxes in the State as soon as the Village Panchayet Regulation came into force and Panchayets were constituted thereunder with powers ~~of local taxation~~ to levy taxes on houses, vacant sites etc. The Regulation became operative from 1st Feby27 according to Government Notification No L.2490/Lb 26-26-2 dated 5th October 1926. But as it was considered impossible for the Village Panchayets within the time available to be sufficiently established to undertake the assessment and collection of taxes under section 36 of the Regulation it was directed in G.O.No.L2370-14/1926-26-40 dated 5th October 1926 that mohatarfa might continue to be collected by Jamabandi Officers and credited to the Panchayets concerned. This arrangement applied, of course, to Sircar villages and Inam villages where the right to levy mohatarfa was vested in Government. As regards Inam villages where the proceeds of mohatarfa were enjoyed by Inamdars, it was hoped that the public spirit of the Inamdars and their desire for the sanitary improvement of their villages, might, in a large number of cases, induce the Inamdars to follow the example of Government and to voluntarily give up the imposition of mohatarfa.

Enquiries were accordingly made to ascertain the views of the Inamdars; ~~but although~~ several of them have readily agreed to relinquish mohatarfa, they have, for the ~~&&&&~~ most part shown

A list of the Inamdars who have agreed is appended. Govt have kept Expressed their appreciation of the public spirit shown by them in this matter

The Inamdars however,

~~decided~~ unwillingness to adopt this course and have urged their objections directly and through the Inamdars' Association. Representations have also been received from the holders of Sringeri and Yelandur Jaghirs that they cannot afford to forego their income from mohatarfa which in the case of Yelandur Jaghir is said to amount to about Rs.8,000/. Attention has also been drawn to the fact that religious and charitable institutions, which are dependent on this source of income for their maintenance are likely to suffer.

The anticipation that the Inamdars might voluntarily relinquish the levy of mohatarfa not having materialised to any considerable extent, it becomes necessary to deal with the question on other lines, ~~by means of legislation~~. Several alternatives are possible: legislation

The first alternative would be to allow the Inamdars to collect mohatarfa as heretofore in villages where they were entitled to the same and for the Panchayets at the same time to collect the taxes prescribed by the Panchayet Regulation. But this will expose the inhabitants of Inam villages to the burden of a double levy on identical objects of incidence and may not be defensible on grounds of financial equity.

Secondly, no legislation need be undertaken so that the Inamdars affected by the abolition of Mohatarfa will receive no compensation ~~Secondly mohatarfa may be abolished without giving any~~ compensation to the Inamdars affected by the measure. In adopting this course the State will be well within its rights and the Inamdars can have no legal cause for complaint. It is a long established principle that the Government possess the fullest power to abolish existing

items of taxation throughout the State without any liability to compensate Inamdars for loss of revenue which may have been in their enjoyment previously."

But although the Inamdars may not be entitled to compensation as a matter of legal right, it might be thought desirable and expedient to give it to them in some measure as a matter of grace. In that case it is obviously impossible for Government to meet this expenditure from the general revenues, ~~after the heavy strain put upon them by the loss of mohatarfa revenue from Government villages and by the obligation~~ upon which the demands are heavy as necessary in several directions. Govt have already undertaken to provide grants for rural reconstruction and the supervision of Village Panchayets.

The only remaining alternative will be for the Panchayets to assign a share of the income derived from the new taxes to the Inamdars concerned in consideration of the sacrifices made by the latter. This share may be inappreciable in some cases but in others it will seriously cripple the resources of the Panchayets and militate against their usefulness. Even with this drawback, however, it would perhaps be the least objectionable method of reconciling vested rights with the demands of progressive administration.

~~Govt have decided~~ As there will be some delay in Panchayets collecting these taxes, Govt have directed that Mohatarfa may be collected as usual in Garvillages & credited to

This memorandum is published with the object of eliciting the views of the Representative Assembly as to which if any, of the above alternatives is considered the most suitable and likely to prove acceptable to the people of the State.

Govt have decided to levy the Mohatarfa tax with effect from 1st July 1927. During the Current Fasal year Mohatarfa in Garvillages will be collected as usual stated above, & credited to P.S. The P.S. will be advised

Of the act to the Entar
Moharata paid by individuals
against assessment one by them under
the N.P. Regn from the new Penal
Jan Moharata as such will not
be levied by for ageny. & ~~Govt be~~
~~as~~ ~~stated above~~ the levy fix by Inandan
will be illegal as stated above.
Payment of any fined amount by
the Panchayats to Inandan will
require an ~~suitable~~ amendment
the N.P. Regn. Govt will take
necessary action. If this House
endorses that such action is
desirable. By legislation the amount may
hereafter be fixed at five
years average or not less than a month
it; and perhaps a limitation
of time, after the life time
the present Inandans or a
fixed number. Years might
also be necessary.

Revised Copy

The Village Panchayet Scheme placed before the Representative Assembly in October 1924 contemplated the abolition of the mohatarfa taxes in the State as soon as the Village Panchayet Regulation came into force and Panchayets were constituted thereunder with power to levy taxes on houses, vacant sites, etc. The Regulation became operative from 1st Feb. 1927 according to Govt. Notification No.L.2490/L.B.26-26-39 dated 5th Oct 1926. But as it was considered impossible for the Village Panchayets within the time available to be sufficiently established to undertake the assessment and collection of taxes under section 36 of the Regulation it was directed in G.O.No.L 2200-14/L.B.26-26-40 dated 5th Oct. 1926 that mohatarfa might continue to be collected by Jamabandi officers and credited to the Panchayets concerned. This arrangement applied, of course, to Sircar villages and Inam villages where the right to levy mohatarfa was vested in Govt. As regard Inam villages where the proceeds of mohatarfa were enjoyed by Inamdars, it was hoped that the public spirit of the Inamdars and their desire for the sanitary improvement of their villages might, in a large number of cases, induce the Inamdars to follow the example of Govt. and to voluntarily give up the imposition of mohatarfa.

Enquiries were accordingly made to ascertain the views of the Inamdars; several of them have readily agreed to relinquish mohatarfa. A list of the Inamdars villages of which so who have agreed is appended Govt. have separately expressed to them ~~Govt. 's~~ appreciation of the public spirit shown by them in this matter. A large body of Inamdars however have shown unwillingness to adopt this course and have urged their objections directly and - -

through the Inamdars' Association. Representations have also been received from the holders of Sringeri and Yelandur Jaghirs that they cannot afford to forego their income from Mohatarfa which in the case of Yelandur Jaghir is said to amount to about Rs.8,000. Attention has also been drawn to the fact that religious and charitable institutions, which are dependent on this source of income for their maintenance are likely to suffer.

The anticipation that the Inamdars might voluntarily relinquish the levy of mohatarfa not having materialised adequately, it becomes necessary to deal with the question on other lines.

Four ~~Several~~ alternatives are possible:

The first alternative would be to allow by legislation, ~~the~~ such Inamdars to collect mohatarfa as heretofore in their villages ~~where they were entitled to the same~~ and for the Panchayets at the same time to collect the taxes prescribed by the Panchayet Regulation. But this will expose the inhabitants of such Inam villages to the burden of a double levy on identical objects of incidence and may not be defensible on grounds of financial equity.

abolish mohatarfa in all villages and to

Secondly, no legislation need be undertaken so that the Inamdars who are affected by the abolition of mohatarfa and who have not surrendered their grants would receive no compensation. In adopting this course the State will be well within its rights and the Inamdars cleared can have no legal cause for complaint. It is long established principle that the Govt possess "the fullest power to abolish exist-

Bill should be on the right

existing items of taxation throughout the State without any liability to compensate Inamdars for loss of revenue which may have been in their enjoyment previously".

Thirdly, But although the Inamdars may not be entitled to compensation as a matter of legal right, it might be thought desirable and expedient to give it to them in some measure as a matter of grace. In that case, it is obviously impossible for Govt. to meet this expenditure from the general revenues, upon which the demands are heavy and increasing in several directions. Govt. have already undertaken to provide grants for rural reconstruction and for the supervision of Village Panchayets.

The only remaining alternative will be for the Panchayets Concerned to assign a share of the income derived from the new taxes to ~~such of~~ the Inamdars (Such Villages, ~~who~~ that is those who are unable to bear the loss of Mohatarfa. This share which might may be inappreciable in some cases ~~but in others it~~ seriously cripple the resources of the Panchayets and militate against their usefulness.

Government have decided to abolish the mohatarfa tax with effect from ~~1st July 1937~~ (i.e. Notification that effect has ceased.) During the current official year mohatarfa in Govt. villages is being collected as usual as stated above, and credited to Village Panchayets. The Village Panchayets have also been advised to ~~give credit to the extent of~~ exempt those who have paid mohatarfa ~~paid by individuals against~~ from the assessment due by them under the Village Panchayet Regulation for the Current Year. From the next official year mohatarfa as such will not be levied by Govt. agency; and the levy of it by Inamdars would be ille-

illegal as stated above. Payment of any fixed amount by the Panchayets to Inamdars would require an amendment of the Village Panchayet Regulation. Govt. will take necessary action if this House considers that such action is desirable. If legislation is undertaken the amount may perhaps be fixed at five years' average or not less than a moiety of it; and perhaps a limitation of time, either the life-time of the present Inamdars or a fixed number of years might also be necessary.

Govt. consider that some compensation is equitably desirable in the case of those Inamdars to whom the loss of mohatarfa would be a serious financial loss and hope that this House will consider the matter in the same light.

This memorandum is published with the object of eliciting the views of the Representative Assembly on the question. Legislation will be undertaken as soon as possible on the lines that may be decided on.

Memorandum on the relief to be given to Inamdars in connection with the abolition of Mohatarfa.

The Village Panchayet Scheme placed before the Representative Assembly in October 1924 contemplated the abolition of the mohatarfa taxes in the State as soon as the Village Panchayet Regulation came into force and Panchayets were constituted thereunder with power to levy taxes on houses, vacant sites, etc. The Regulation became operative from 1st February 1927 according to Govt. Notification No. L.2490/L.B.26-26-39 dated 5th October 1926. But as it was considered impossible for the Village Panchayets within the time available to be sufficiently established to undertake the assessment and collection of taxes under Section 36 of the Regulation, it was directed in G.O.No.L.2500-14/L.B.26-26-40 dated 5th October 1926 that mohatarfa might continue to be collected by Jamabandi officers and credited to the Panchayets concerned. This arrangement applied, of course, to Sircar villages and Inam villages where the right to levy mohatarfa was vested in Govt. As regards Inam villages where the proceeds of mohatarfa were enjoyed by Inamdars, it was hoped that the public spirit of the Inamdars and their desire for the sanitary improvement of their villages might, in a large number of cases, induce the Inamdars to follow the example of Govt. and to give up voluntarily the collection of mohatarfa.

Enquiries were accordingly made to ascertain the views of the Inamdars; several of them have ~~xxxxx~~ readily agreed to ~~relinquish~~ give up collecting mohatarfa. A list of villages the Inamdars of which have so agreed

agreed is appended. Govt. have separately expressed to them their appreciation of the public spirit shown by them in this matter. A large body of Inamdars, however, have shown unwillingness to adopt this course and have urged their objections directly and through the Inamdars' Association. Representations have also been received from the holders of Sringeri and Yelandur Jaghirs that they cannot afford to forego their income from Mohatarfa which in the case of Yelandur Jaghir is said to amount to about Rs.8,000. Attention has also been drawn to the fact that religious and charitable institutions, which are dependent on this source of income for their maintenance are likely to suffer.

The anticipation that the Inamdars might voluntarily relinquish the levy of mohatarfa not having materialised adequately, it becomes necessary to deal with the question on other lines.

Four alternatives are possible:

The first alternative would be to abolish mohatarfa in all inam villages and to allow by legislation, ~~such~~ Inamdars who do desire it, to collect mohatarfa as heretofore in their villages and for the Panchayets at the same time to collect the taxes prescribed by the Panchayet Regulation. But this will expose the inhabitants of such inam villages to the burden of a double levy on identical objects of incidence and may not be defensible on grounds of financial equity.

Secondly, no legislation need be undertaken so that the Inamdars who will be affected by the abolition of mohatarfa and who have

not ~~surendered it~~ agreed to line up Collective it would receive no compensation

In adopting this course the State will be well within its rights and the Inamdars concerned can have no legal cause for complaint. It is a long established principle that the Govt. -- possess "the fullest power to abolish existing items of taxation throughout the State without any liability to compensate Inamdars for loss of revenue which may have been in their enjoyment previously"

Thirdly, although these Inamdars may not be entitled to compensation as a matter of legal right, it might be thought desirable and expedient that Govt may grant relief for the loss to give ~~it~~ to them in some measure as a matter of grace. ~~In that case~~, But it is ~~obvious-ly~~ impossible for Govt. to meet this expenditure from the general revenues, upon which the demands are heavy and increasing in several directions. Govt. have, besides already undertaken to provide for rural reconstruction and for the supervision of Village Panchayets; and

Money grants by Govt might Inamdars ~~are liable to~~ reduce to some extent the provision that it is possible to make for rural reconstruction for the year.

The only remaining alternative will be for the Panchayets concerned to assign a share of the income derived from the new taxes to the Inamdars of such villages, that is to those of mohatarfa. who are unable to bear the loss. This share, ~~which it~~ may be inappreciable in some cases might seriously cripple the resources of some the Panchayets and militate against their usefulness. Payment of any amount to Inamdars out of the income of Panchayets requires an amendment of the Village Panchayet Regulation. ~~and~~ The amount may perhaps be fixed at ~~five~~ years' average or not less than a moiety of the present income calculated on two years average;

(This sentence may be best omitted. Drawback against Inamdars!)

~~if the annual assessment or fine falls away~~

~~it;~~ and ~~perhaps~~ a limitation of time, either the life-time of the present Inamdars of a fixed number of years might also be expedient

This memorandum is published with the object of eliciting the views of the Representative Assembly on the question. Action ~~will~~ legislative ~~be taken on the lines that may be decided on.~~ immediately

On account of urgency it is proposed to

If the Assembly agrees to any of the alternatives requiring amendment of the B.P. Regn., an amending bill will be placed before the Leg. Council.

Jaw

Memorandum on the relief to be given to Inamdars in connection with the abolition of Mohatarfa .

The Village Panchayet Scheme placed before the Representaitve Assembly in October 1924 contemplated the abolition of the mohatarfa taxes in the State as soon as the Village Panchayet Regulation came into force and Panchayets were constituted thereunder with power to levy taxes on houses, vacant sites, etc. The Regulation became operative from 1st February 1927 according to Government Notification No.I 2490/L.B.26-26-39 dated 5th October 1926. But as it was considered impossible for the Village Panchayets within the time available to be sufficiently established to undertake the assessment and collection of taxes under Section 36 of the Regulation, it was directed in Government Order No.L. 2500-14/L.B.26-26-40 dated 5th October 1926 that mohatarfa might continue to be collected by Jamabandi officers and credited to the Panchayets concerned. This arrangement applied applied, of course, to Sircar villages and Inam villages where the right to levy mohatarfa was vested in Government. As regards Inam villages where the proceeds of mohatarfa were enjoyed by Inamdars, it was hoped that the public spirit of the Inamdars and their desire for the sanitary improvement of their villages might, in a large number of cases, induce the Inamdars to follow the example of Government and to give up voluntarily the collection of mohatarfa.

Enquiries were accordingly made to ascertain the views of the Inamdars, several of them have readily agreed to give up collecting mohatarfa. A list of villages the Inamdars of which have so agreed is appended. Government have separately expressed to them their appreciation of the public spirit shown by them in this matter. A large body of Inamdars, however, have shown unwillingness to adopt this course and have urged their objections directly and through the Inamdars' Association. Representations have also been received from the

the holders of Sringeri and Yelandur Jaghire that they cannot afford to forego their income from Mohatarfa which in the case of Yelandur Jaghir is said to amount to about - Rs.8,000. Attention has also been drawn to the fact that religious and charitable institutions, which are dependent on this source of income for their maintenance are likely to suffer.

The anticipation that the Inamdars might voltuntarily relinquish the levy of mohatarfa not having materialised adequately, it becomes necessary to deal with the question on other lines.

Four alternatives are possible:

The first alternative would be to abolish mohatarfs in Inam villages and to allow by legislation, Inamdars who so desire it, to collect mohatarfa as heretofore in their villages and for the Panchayats at the same time to collect the taxes prescribed by the Panchayat Regulation. But this will expose the inhabitants of such inam villages to the burden of a double levy on ifentical objects of incidence and may not be defensible on grounds of - financial equity.

Secondly, no legislation need be undertaken so that the Inamdars who will be affected by the abolition of - mohatarfa and who have not agreed to give up collecting it would receive no compensation. In adopting this course the State will be well within its rights and the Inamdars concerned can have no legal cause for complaint. It is a long established principle that the Government possess " the fullest power to abolish existing items of taxation through the State without any liability to compensate - Inamdars for loss of revenue which may have been in their enjoyment previously ".

Thirdly, although these Inamdars may not be entitled to compensation as a matter of legal right, it might be - thought desirable and

give relief to them for the loss in some measure as a matter of grace. But it is impossible for Government to meet this expenditure from the general revenues, upon which the demands are heavy and increasing in several directions. Government have besides already undertaken to provide grants for rural reconstruction and for the supervision of Village Panchayets; and money grants by Government to Inamdars might reduce to some extent the provision that it is possible to make for rural reconstruction from year to year.

The only remaining alternative will be for the Panchayets concerned to assign a share of the income derived from the new taxes to the Inamdars of such villages, that is to those who are unable to bear the loss of mohatarfa. Payment of any amount to Inamdars out of the income of Panchayets requires an amendment of the Village Panchayet Regulation. The amount may perhaps be fixed at not less than a moiety of the present income calculated on five year's average; and a limitation of time, either the life-time of the present Inamdars or a fixed number of years might also be expedient.

This memorandum is published with the object of eliciting the views of the Representative Assembly on the question. If the Assembly agrees to any of the alternatives requiring amendment of the Village Panchayet Regulation an amending bill will be placed before the Legislative Council.

Draft Final Note.

Subject :- Question of abolition of the Mohatarfa Tax in all the villages (Sircar Inam and Jaghir) in the State.

The papers relate to the question of abolition of Mohatarfa tax in all the villages in the State consequent on the introduction of the Village Panchayet Scheme. The Village Panchayet Regulatio became operative from 1st February 1927, according to Govt.Notification No.L.2490/L.B.26-26-39 dated 5th October 1926) But it was considered impossible for the Village Panchayets within the time - available to be sufficiently established to undertake the assessment and collection of taxes under Section 36 of the Regulation, it was directed in Govt. order No.L.2500-14/L.B.26-26-40 dated 5th October 1926 that mohatarfa may be continued to be collected by Jamabandy Officers and credited to Panchayets concerned. This arrangement applied of course to Sircar villages and Inam villages where the right to levy mohatarfa was vested in Government. As regards Inam villages where the proceeds of mohatarfa were enjoyed by Inamdars, it was hoped that the public spirit of Inamdars and that their desire for - sanitary improvement of their villages might in a large number of cases induce the Inamdars to follow the example of Government and to give up

up voluntarily the collection of mohatarfa. But from enquiries made in the matter it was found ~~that~~ through these several of Inamdars had agreed to give up the levy, a large number expressed their unwillingness to adopt this course and ~~that~~ that religious and charitable institutions ~~xxxxxxxxxxxx~~ dependent on the source of income also likely to suffer.

In these circumstances the matter was considered in the Council who ~~are~~ were of opinion that the views of the Representative Assembly at the Session of June 1927 in regard to the relief to be given to the Inamdars might be -- ascertained before orders abolishing mohatarfa are issued. Accordingly the question was ~~xxxxxxxxxxxxxx~~ discussed ~~placed before~~ in the Representative Assembly of June 1927, ~~and the question was fully discussed by the Members of the Assembly and although all the alternative proposals were voted down~~ the general sense of the House was against the grant of any concession to Inamdars on the score of loss ~~xx~~ of mohatarfa revenue as a result of - formation of Village Panchayets in their villages.

The ~~matter~~ question was considered in Council on 18th January 1928 and ~~it was decided~~ recommended that the levy of mohatarfa tax may be abolished in all the villages ~~xxxxxx~~

(Sircar, Inam and Jaghir) in the State.

I solicit the gracious approval of His Highness to the decision of the Council.

Member of Council.